

# REPORT

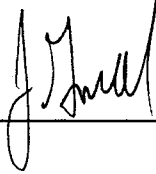
**DATE:** February 1, 2007

**TO:** Administration Committee  
Regional Council

**FROM:** Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov

**SUBJECT:** RHNA Budget Request

**EXECUTIVE DIRECTOR'S APPROVAL:**



## RECOMMENDED ACTION:

Approve the use of an additional \$100,000 in General Funds to continue funding the Regional Housing Needs Allocation (RHNA) project.

## BACKGROUND:

At the September 2006 Regional Council (RC) meeting, \$100,000 in General Funds from the current fiscal year budget was reallocated to fund the RHNA project. In December 2006, the RC allocated an additional \$200,000 in general funds for the RHNA project. As of the payroll period ending January 26, 2007, \$308,000 in General funds had been expended on the RHNA project. This request of \$100,000, in addition to an original adopted budget allocation of \$100,000 brings the total amount of general funds allocated to the RHNA project to \$500,000.

This current budget request continues funding for the housing allocation process to support sub regional delegations, evaluation of appeals and the trade and transfer process. The budget also includes funding for work-related inquiries by cities regarding housing allocations in an effort to mitigate potential appeals. Our final budget projections for the current fiscal year are predicated upon the number and nature of appeals that result from the process, which will be known on March 16, 2007. If there are no appeals, the \$500,000 budget target can be met. If, for example, 20% of cities pursue appeals, the additional costs could be between \$150,000 and \$200,000 in fiscal year 2006, and \$50,000 to \$100,000 in fiscal year 2007.

## FISCAL IMPACT:

All the Funds are included in the current year's appropriated budget.

Reviewed by:

  
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Chief Financial Officer